Weekly Compilation of

Presidential Documents

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Editor's Note: The President was at the Bush Ranch in Crawford, TX, on August 12, the closing date of this issue. Releases and announcements issued by the Office of the Press Secretary but not received in time for inclusion in this issue will be printed next week.

WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

Published every Monday by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, the *Weekly Compilation of Presidential Documents* contains statements, messages, and other Presidential materials released by the White House during the preceding week.

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Proclamation 7916—40th Anniversary of the Voting Rights Act of 1965

August 5, 2005

By the President of the United States of America

A Proclamation

In America, we believe in the freedom of every individual. This freedom includes the ability to participate in one of the most cherished rights and fundamental responsibilities of citizenship: the right to vote. The Voting Rights Act of 1965 helped ensure that all citizens would have the opportunity to vote, regardless of race. As President Lyndon Johnson said when he signed the Act, "Millions of Americans are denied the right to vote because of their color. This law will ensure them the right to vote. The wrong is one which no American, in his heart, can justify. The right is one which no American, true to our principles, can deny." As we celebrate the 40th anniversary of this historic act, we reaffirm this bedrock commitment to equality and justice for all.

America's history is a story of people working for freedom, justice, and equality. We have made great progress toward achieving these ideals. In the middle of the 20th century, the conscience of America was awakened by the struggles and the courage of those who overcame racial slurs, fire hoses, and burning crosses. Brave men and women held sit-ins at lunch counters, rode buses on Freedom Rides, and marched in our Nation's Capital and throughout our country to demand the full promise of the Declaration of Independence. The work of these courageous Americans led to the Voting Rights Act of 1965, and we remember their heroism on this anniversary.

America is a stronger and better Nation because of the Voting Rights Act of 1965. As President Johnson said upon signing the Act, it is "a triumph for freedom as huge as any victory that has ever been won on any battlefield." The Act was a great step forward in the history of our Nation, and it remains essential as we continue our progress toward a society in which every person of every background can realize the American Dream.

Now, Therefore, I, George W. Bush, President of the United States of America, by virtue of the authority vested in me by the Constitution and Laws of the United States, do hereby proclaim August 6, 2005, as a day of celebration in honor of the 40th Anniversary of the Voting Rights Act of 1965. I call upon all Americans to observe this day with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this fifth day of August, in the year of our Lord two thousand five, and of the Independence of the United States of America the two hundred and thirtieth.

George W. Bush

[Filed with the Office of the Federal Register, 11:21 a.m., August 8, 2005]

NOTE: This proclamation was published in the *Federal Register* on August 9. This item was not received in time for publication in the appropriate issue.

Memorandum on Assignment of Reporting Function

August 5, 2005

Memorandum for the Secretary of Commerce

Subject: Assignment of Reporting Function

By virtue of the authority vested in me as President by the Constitution and the laws of the United States, including section 301 of title 3, United States Code, I hereby assign to you the functions of the President under section 316 of the Coastal Zone Management Act of 1972, as amended (16 U.S.C. 1451, *et seq.*).

You are authorized and directed to publish this memorandum in the *Federal Register*.

George W. Bush

NOTE: This item was not received in time for publication in the appropriate issue. An original was not available for verification of the content of this memorandum.

The President's Radio Address

August 6, 2005

Good morning. As families across the country enjoy the summer, Americans can be optimistic about our economic future.

In the past 4 years, our economy has been through a lot. We faced a stock market decline, a recession, corporate scandals, an attack on our homeland, and the demands of an ongoing war on terror. To grow the economy and help American families, we acted by passing the largest tax relief in a generation. And today, thanks to the tax relief and the efforts of America's workers and entrepreneurs, our economy is strong and growing stronger.

This past week, we learned that America added over 200,000 new jobs in July. Since May of 2003, we've added nearly 4 million new jobs. The unemployment rate is down to 5 percent, below the average of the 1970s, 1980s, and 1990s. And more Americans are working today than ever before in our Nation's history.

Recent economic reports show that our economy is growing faster than any other major industrialized nation. Small businesses are flourishing. Workers are taking home more of what they earn. Real disposable personal income has grown by over 12 percent since the end of 2000. Inflation is low, and mortgage rates are low. And over the past year, the homeownership rate in America has reached record levels.

The tax relief stimulated economic vitality and growth, and it has helped increase revenues to the Treasury. The increased revenues and our spending restraint have led to good progress in reducing the Federal deficit. Last month we learned that the deficit is now projected to be $94 billion less than previously expected. I set a goal of cutting the deficit in half by 2009, and we are ahead of pace to meet that goal.

To continue creating jobs and to ensure that our prosperity reaches every corner of America, we're opening markets abroad for our goods and services. This past week, I was proud to sign the Central American-Dominican Republic Free Trade Agreement. This historic agreement will level the playing field for America's workers and farmers and open up a market of 44 million customers for products made in the United States.

To keep our economy growing, we also need affordable, reliable supplies of energy. Next week in New Mexico, I'll sign a bipartisan energy bill that encourages conservation, expands domestic production in environmentally sensitive ways, diversifies our energy supply, modernizes our electricity grid, and makes America less dependent on foreign sources of energy. And next Wednesday in Illinois, I'll sign a highway bill that will improve the safety of our roads, strengthen our transportation infrastructure, and create good jobs.

Our economy is strong, yet I will not be satisfied until every American who wants to work can find a job. So this coming Tuesday, I will meet with my economic team in Texas to discuss our agenda to keep the economy moving forward. As Congress considers appropriations bills this fall, we will work with the House and the Senate to ensure that taxpayer dollars are spent wisely or not at all.

We need to make the tax relief permanent, end the death tax forever, and make our Tax Code simpler, fairer, and more progrowth. We'll continue working on Social Security reform. Social Security is sound for today's seniors, but there's a hole in the safety net for our younger workers, so I'll work with the Congress to strengthen Social Security for our children and grandchildren. I'll continue to press for legal reform to protect small businesses, doctors, and hospitals from junk lawsuits. And we will work to make health care more affordable and accessible for all Americans.

The American economy is the envy of the world, and we will keep it that way. We will continue to unleash the entrepreneurial spirit of America so more of our citizens can realize the American Dream.

Thank you for listening.

NOTE: The address was recorded at 8:25 a.m. on August 5 at the Bush Ranch in Crawford, TX, for broadcast at 10:06 a.m. on August 6. The transcript was made available by the Office of the Press Secretary on August 5 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Remarks on the Death of Peter Jennings in Waco, Texas

August 8, 2005

Laura and I were saddened to learn about the death of Peter Jennings. Peter Jennings had a long and distinguished career as a news journalist. He covered many important events, events that helped define the world as we know it today. A lot of Americans relied upon Peter Jennings for their news. He became a part of the lives of a lot of our fellow citizens, and he will be missed. May God bless his soul.

Thank you.

NOTE: The President spoke at 9:52 a.m. at Texas State Technical College. A tape was not available for verification of the content of these remarks.

Remarks on Signing the Energy Policy Act of 2005 in Albuquerque, New Mexico

August 8, 2005

Thank you all. Please be seated. Thanks very much for the warm welcome. I appreciate you treating a neighbor from Texas so kindly. [*Laughter*] I'm really proud to be here with the men and women of the Sandia National Laboratory. We just had a fascinating tour of the facility. It was a little quick, but I learned a lot, and I want to thank Tom Hunter for his hospitality and his enthusiasm for the projects that go on here and his praise for the people who work here.

I thank you for coming, and it's such an honor to be here. I know full well that the work you do here keeps our military strong, it keeps our Nation competitive, and our country is really grateful for your dedication and for the fact that you lend your expertise into helping Americans.

It is such an honor to be in New Mexico, the home State of Pete Domenici as well as Jeff Bingaman, to sign this bill. This bill will strengthen our economy, and it will improve our environment, and it's going to make this country more secure. The Energy Policy Act of 2005 is going to help every American who drives to work, every family that pays a power bill, and every small-business owner hoping to expand.

The bill is the result of years of effort. It is the result of good folks coming together, people who have made a commitment to deliver results for the American people. This bill launches an energy strategy for the 21st century, and I've really been looking forward to signing it.

I appreciate Pete Domenici's leadership on this bill. You know, he's the kind of fellow, when he makes up his mind to do something, it's hard to stop him. And as Pete said he's worked on a lot of energy bills in the past. Some of them were signed by Presidents, and some of them never made it to the desk. But he's been dogged in his determination to get a bill done, and he found a really fine partner in Joe Barton.

Joe Barton did an outstanding job as the chairman of the House Energy and Commerce Committee, and he did a really good job as the conference chairman. This bill is here in New Mexico because of the fine work of Joe Barton and Pete Domenici. And as Pete mentioned, Senator Jeff Bingaman gets a lot of credit as well. He knows the subject matter in the bill, and he's a proven leader on issues such as conservation and efficiency and renewable fuels and research and development. And Jeff, I, like Pete, I want to congratulate you for a job well done, and thank you for being here—[*applause*].

A member of the House Energy and Commerce Committee came on over, Ralph Hall, a great Congressman from the State of Texas. Ralph is a good friend. I think he came just to grab a cup of coffee on Air Force One, but—[*laughter*]—I'm proud to have him alongside. Thanks for coming, Ralph, and thanks for your vote.

I appreciate Congressman Steve Pearce from eastern New Mexico joining us. He and

his wife, Cynthia, are with us. Thanks for coming, Steve. Appreciate your support on this bill. Good work. Thank you.

I put a good fellow to run the Energy Department in Sam Bodman. He's smart. He's capable. He's got a lot of experience. He knows what he's doing. He's going to be the right person to help implement this bill. And I want to thank Sam and his wife, Diane, for being here. Thank you all for coming.

I want to remind you about the fact that this economy of ours has been through a lot. And that's why it was important to get this energy bill done, to help us continue to grow. We've been through a stock market decline. We went through a recession. We went through corporate scandals. We had an attack on our homeland, and we had the demands on an ongoing war on terror. And to grow this economy, we worked together to put together an economic growth policy, an economic growth package, the cornerstone of which was to cut the taxes on the American people. And that tax relief plan is working. This economy is strong, and it's growing stronger. And what this energy bill is going to do, it's just going to help keep momentum in the right direction so people can realize their dreams.

Last week we had some good news that America added just over 200,000 jobs—new jobs—in the month of July. Since May of 2003, we've added nearly 4 million new jobs. More Americans are working today than ever before in our Nation's history. Workers are taking more of what they earn—taking home more of what they earn. Inflation is low. Mortgage rates are low. Homeownership in America is at an alltime high. In other words, this economy is moving. And what this energy bill does is it recognizes that we need more affordable and reliable sources of energy in order to make sure the economy continues to grow.

It's an economic bill, but as Pete mentioned, it's also a national security bill. For more than a decade, America has gone without a national energy policy. It's hard to believe, isn't it? We haven't had a strategy in place. We've had some ideas, but we have not had a national energy policy. And as a result, our consumers are paying more for the price of their gasoline. Electricity bills are going up. We had a massive blackout two summers ago that cost this country billions of dollars and disrupted millions of lives. And because we didn't have a national energy strategy over time, with each passing year, we are more dependent on foreign sources of oil.

Now, solving these problems required a balanced approach. And that's the spirit that Pete and Jeff and Joe took into the—on to the floors of their respective bodies. They recognized that we need a comprehensive approach to deal with the situation we're in. In other words, we need to conserve more energy. We need to produce more energy. We need to diversify our energy supply, and we need to modernize our energy delivery. And so they worked hard and listened to a lot of good ideas, and they've taken really important steps.

Now, one of the things that I appreciate about the people on the stage here is that they were able to set aside kind of the partisan bickering that oftentimes—too many times—deadlocks Washington, DC. In other words, they said, "Let's get something done for the good of the country." And that's an important spirit. That's what the American people expect. I know the people in New Mexico expect people to go up to Washington, DC, and work together for the common good. And that's exactly what this bill has done.

These Members, when they say they're going to strengthen our economy and protect our environment and help our national security, are telling it like it is. And let me tell you why. First, the bill makes an unprecedented commitment to energy conservation and efficiency—an unprecedented commitment. The bill sets higher efficiency standards for Federal buildings and for household products. It directs the Department of Transportation to study the potential for sensible improvements in fuel-efficiency standards for cars and trucks and SUVs. It authorizes new funding for research into cutting-edge technologies that will help us do more with less energy.

The bill recognizes that America is the world's leader in technology and that we've got to use technology to be the world's leader

in energy conservation. The bill includes incentives for consumers to be better conservers of energy. If you own a home, you can receive new tax credits to install energy-efficient windows and appliances. If you're in the market for a car, this bill will help you save up to $3,500 on a fuel-efficient hybrid or clean-diesel vehicle. And the way the tax credit works is that the more efficient the vehicle is, the more money you will save. Energy conservation is more than a private virtue; it's a public virtue. And with this bill I sign today, America is taking the side of consumers who make the choice to conserve.

Second, this bill will allow America to make cleaner and more productive use of our domestic energy resources, including coal and nuclear power and oil and natural gas. By using these reliable sources to supply more of our own energy, we'll reduce our reliance on energy from foreign countries, and that will help this economy grow so people can work.

Coal is America's most abundant energy resource. It accounts for more than one-half of our electricity production. The challenge is to develop ways to take advantage of our coal resources while keeping our air clean.

When I ran for President in 2000, I promised to invest—or asked the Congress to invest $2 billion over 10 years to promote clean coal technology. So far, working with the United States Congress, we've provided more than $1.3 billion for research in the innovative ways to improve today's coal plants and to help us build even cleaner coal plants in the future. And the bill I sign today authorizes new funding for clean coal technology so we can move closer to our goal of building the world's first zero emission coal-fired powerplant.

Nuclear power is another of America's most important sources of electricity. Of all our Nation's energy sources, only nuclear powerplants can generate massive amounts of electricity without emitting an ounce of air pollution or greenhouse gases. And thanks to the advances in science and technology, nuclear plants are far safer than ever before. Yet America has not ordered a nuclear plant since the 1970s. To coordinate the ordering of new plants, the bill I sign today continues the Nuclear Power 2010 Partnership between Government and industry. It also offers a new form of Federal risk insurance for the first six builders of new nuclear powerplants. With the practical steps in this bill, America is moving closer to a vital national goal. We will start building nuclear powerplants again by the end of this decade.

Meeting the needs of our growing economy also means expanding our domestic production of oil and natural gas, which are vital fuels for transportation and electricity and manufacturing. The energy bill makes practical reforms to the oil and gas permitting process to encourage new exploration in environmentally sensitive ways.

The bill authorizes research into the prospects of unlocking vast amounts of now—energy now trapped in shale and tar sands. It provides incentives for oil refineries to expand their capacity, and that's consumer-friendly. The more supply, the more reliable your gasoline will be and the more—less pressure on price.

The bill includes tax incentives to encourage new construction of natural gas pipelines. It clarifies Federal authority to site new receiving terminals for liquified natural gas, so that consumers across this Nation can benefit from more affordable, clean-burning natural gas.

Thirdly, the bill I sign today will help diversify our energy supply by promoting alternative and renewable energy sources. The bill extends tax credits for wind, biomass, landfill gas, and other renewable electricity sources. The bill offers new incentives to promote clean, renewable geothermal energy. It creates a new tax credit for residential solar power systems. And by developing these innovative technologies, we can keep the lights running while protecting the environment and using energy produced right here at home. When you hear us talking about less dependence on foreign sources of energy, one of the ways to become less dependent is to enhance the use of renewable sources of energy.

The bill also will lead to a greater diversity of fuels for cars and trucks. The bill includes tax incentives for producers of ethanol and biodiesel. The bill includes a flexible, cost-effective renewable fuel standard that will double the amount of ethanol and biodiesel

in our fuel supply over the next 7 years. Using ethanol and biodiesel will leave our air cleaner. And every time we use a home-grown fuel, particularly these, we're going to be helping our farmers and, at the same time, be less dependent on foreign sources of energy.

I used to like to kid, but I really wasn't kidding when I said, "Some day a President is going to pick up the crop report"—[*laughter*]—"and they're going to say, we're growing a lot of corn, and—or soybeans—and the first thing that's going to pop in the President's mind is, we're less dependent on foreign sources of energy." It makes sense to promote ethanol and biodiesel.

The bill I sign today also includes strong support for hydrogen fuel technology. When hydrogen is used in a fuel cell, it can power consumer products from computers to cell phones to cars that emit pure water instead of exhaust fumes. I laid out a hydrogen fuel initiative, and I want to thank the Members of Congress for adding to the momentum of this initiative through this energy bill. The goal of the research and development for hydrogen-powered automobiles is to make it possible for today's children to take their driver's test in a pollution-free car.

Fourth, the energy bill will help ensure that consumers receive electricity over dependable modern infrastructure. The bill removes outdated obstacles to investment in electricity transmission lines in generating facilities. The bill corrects the provision of the law that made electric reliability standards optional instead of mandatory. Most of you probably consider it mandatory that the lights come on when you flip a switch. [*Laughter*] Now the utility companies will have to consider it mandatory as well. [*Laughter*]

To keep local disputes from causing national problems, the bill gives Federal officials the authority to select sites for new powerlines. We have a modern interstate grid for our phone line and our highways. With this bill, America can start building a modern 21st century electricity grid as well.

The bill I sign today is a critical first step. It's a first step toward a more affordable and reliable energy future for the American citizens. This bill is not going to solve our energy challenges overnight. Most of the serious problems, such as high gasoline costs or the rising dependence on foreign oil, have developed over decades. It's going to take years of focused effort to alleviate those problems. But in about 2 minutes, we're going to have a strategy that will help us do that.

And as we work to solve our energy dependence—dependency, we've got to remember that the market for energy is global, and America is not the only large consumer of hydrocarbons. As the economies of nations like India and China grow rapidly, their demand for energy is growing rapidly as well. It's in our interest to help these expanding energy users become more efficient, less dependent on hydrocarbons. You see, by helping them achieve these goals, it will take pressure off the global supply, and it will help take pressure off price for American consumers.

And so, last month, I joined with the leaders of India and China and Australia and Japan and South Korea to create a new Asia Pacific Partnership on Clean Development. This is an innovative program which is authorized by this energy bill. And through it, our goal is to spread the use of clean, efficient energy technologies throughout the Pacific Rim.

After years of debate and division, Congress passed a good bill. It's my honor to have come to the great State of New Mexico to sign it. I'm confident that one day Americans will look back on this bill as a vital step toward a more secure and more prosperous nation that is less dependent on foreign sources of energy.

Thank you for coming.

NOTE: The President spoke at 11:26 a.m. in the Schiff Auditorium at the Sandia National Laboratory. In his remarks, he referred to Thomas O. Hunter, president, Sandia Corp., and director, Sandia National Laboratories. At the time of publication, H.R. 6, approved August 8, had not been received by the Office of the Federal Register for assignment of a Public Law number.

Statement on Signing the Energy Policy Act of 2005

August 8, 2005

Today, I have signed into law H.R. 6, the "Energy Policy Act of 2005." This legislation promotes dependable, affordable, and environmentally sound production and distribution of energy for America's future.

The executive branch shall construe section 365(e)(2) of the Act, which purports to require disclosure of an internal executive branch recommendation, in a manner consistent with the President's constitutional authority to supervise the unitary executive branch and preserve the confidentiality of its deliberations.

The executive branch shall construe the statement in section 110(d) of the Act, that the Congress reserves the right to revert to previous schedules for daylight savings time, as referring to reversion by enactment of a law in accordance with the bicameral passage and presentment requirements specified in the Constitution.

The executive branch shall construe the amendments to section 211 of the Energy Reorganization Act made by section 629 of the Act, as they relate to dissemination of official information by employees of the Department of Energy and the Nuclear Regulatory Commission, in a manner consistent with the President's constitutional authority to supervise the unitary executive branch.

The executive branch shall construe provisions of the Act that purport to direct the conduct of communications, negotiations, and other relations with foreign governments and international organizations, including sections 643(c)(2), 795(d), 814, 972, and 985 of the Act, and sections 732, 734(a)(2), 736, and 737 of the Global Environmental Protection Assistance Act as contained in section 1611 of the Act, in a manner consistent with the Constitution's commitment to the President of authority to conduct the Nation's foreign relations.

Provisions of the Act, including sections 342(j), 351(h)(3), 704(c), 706(e)(5), 957(a)(2)(C), 1221(b), 1234(c), 1272(2), 1509(b)(2), 1541(c)(6), 1831(c), 1835, and 1836(b)(2), section 543(a)(3) of the National Energy Conservation Policy Act contained in section 102(b), and section 170H(f)(3)(B) of the Atomic Energy Act of 1954 contained in section 651(d)(1), purport to require executive branch officials to submit legislative recommendations to the Congress. The executive branch shall construe such provisions in a manner consistent with the Constitution's commitment to the President of the authority to submit for the consideration of the Congress such measures as the President judges necessary and expedient and to supervise the unitary executive branch.

The executive branch shall construe the reference in section 631(b) of the Act, to awaiting action by the Congress, as providing for the Congress a reasonable period of time to consider the information furnished under section 631, as it is plain from the text and structure of section 631 that the reference is not intended to function as a prohibition.

The executive branch shall construe section 9007 of the Solid Waste Disposal Act, contained in section 1528 of the Act, in a manner consistent with the various legal immunities conferred by the Constitution on members of the legislative, executive, and judicial branches of the Federal Government to protect the effective functioning of the three branches.

The executive branch shall construe provisions of the Act that make legislative classifications based on race, ethnicity, or gender in a manner consistent with the requirement of the Due Process Clause of the Fifth Amendment to afford equal protection of the laws.

George W. Bush

The White House,
August 8, 2005.

NOTE: At the time of publication, H.R. 6, approved August 8, had not been received by the Office of the Federal Register for assignment of a Public Law number.

The President's News Conference in Crawford, Texas

August 9, 2005

The President. Thank you all for coming. As you can see, my economic team has come to Crawford, and we've just finished a very

interesting discussion about our economy and what we need to do to make sure economic growth remains strong. After this press conference, we'll go over to the house and have a lunch and give us a chance to continue our dialog.

But before I begin in my discussion about the economy, I do want to congratulate the *Discovery* crew. Commander Collins and the pilot of that crew, James Kelly, did a fantastic job of bringing the craft, and most importantly the folks aboard the craft, home safely to California this morning. It was a great achievement. It's an important step for NASA to—as it regains the confidence of the American people and begins to transition to the new mission we set out for NASA. So, congratulations, Commander Collins. It's quite an achievement.

The economy of the United States is strong, and the foundation for sustained growth is in place. The economic agenda is based on the fundamental trust that the American people make good decisions for themselves and for their families. And that's why my policies allow more Americans to keep more of what they earn, to have more control over their daily lives, from health care to education to their retirement. It makes sense to trust people with their own money.

I'm pleased to report that the strategy is working. The economy is growing faster than any other major industrialized country. Job growth is strong. We added over 200,000 new jobs in July. This country has added nearly 4 million new jobs since May of 2003. The unemployment rate is 5 percent, which is below the average of the 1970s, 1980s, and 1990s. Americans have more money in their pocket, and that's good news.

There's still some challenges to the economy, and it's important for the American people to know we understand there are challenges, and we're acting to meet them. First of all, we have a challenge when it comes to energy. Yesterday in New Mexico, I signed an energy bill. I'll repeat today what I said yesterday, and that is, this bill isn't going to lower people's gasoline prices overnight, but it is—the bill does lay out a strategy to help us conserve more, to produce more in environmentally friendly ways, to use renewable sources of energy, all aimed at protecting our economic security and national security. The more we diversify our—the energy sector, the less dependent we are on foreign sources of energy.

Secondly, we're opening up new markets. In order to keep this economy growing, we've got to make sure we have not only free trade, but fair trade. The CAFTA vote is an important vote because it opened up new markets for 44 million consumers. That's going to be good for our farmers and entrepreneurs and small-business people. We discussed the need to continue advancing free and fair trade at the—during the Doha round discussions that will be held in Hong Kong later this—later this year.

In order to make sure the economy continues to grow, we've got to continue to work with Congress to reduce our deficit. The Federal deficit is projected to be $94 billion less than previously expected, and that's thanks to a combination of tax relief, which got our economy growing, and spending restraint. We're ahead of pace to cut the deficit in half by 2009. And it's very important for Congress, as they work on the appropriations bills, to adhere to the budgets that they passed so that we can continue to send the signals to people around the country that we're serious about being fiscally responsible with the people's money.

We need to have certainty in the Tax Code. That's why I strongly believe that the tax relief we passed must be permanent, the death tax repealed forever. And at the same time, I look forward to working with the Tax Reform Commission to develop a simpler code that's a fairer code and one that encourages economic growth.

In order to make sure this economy continues to grow, we got to do something about the lawsuits that are making it difficult for our entrepreneurs and small-business people. I had the honor of signing a class-action reform. Congress needs to pass asbestos reform as well as medical liability reform.

Medical liability reform will help make health care costs more affordable and health care more accessible for our folks. And that leads me to our understanding that rising health care costs are a potential burden on economic growth and certainly a burden on many of our families. One way to deal with

the costs is to do something about the frivolous lawsuits that are running up the cost of medicine.

I signed a patient's safety bill which will help reduce costs and, as importantly, medical errors. The Congress should pass association health plans so that small businesses can pool risk and expand health savings accounts at the same time. In other words, association health plans will help small businesses; health savings accounts will help individual consumers, help our families, but help small businesses, as well, better afford health care.

And finally on Social Security, look, we—in order to make sure this economy continues to grow, we have got to deal with problems now, to solve problems now, before they place an undue restraint on our families and an undue restraint on the ability to grow our economy. And Social Security is a—is a liability that—it needs to be addressed now.

Now, senior citizens must understand when I talk about Social Security reform that nothing will change for you. You'll get your check. But your grandchildren and your children are paying payroll taxes in the system that will be broke by 2041. And it's time to fix the system. Congress needs to understand the gravity of the situation. We have a serious problem. And I believe good leaders are those who stand up and address problems and not pass them on and hope that somebody else will come up and solve the problem.

Part of the solution for Social Security is to make sure that the poor do not retire into poverty, to make sure that people get benefits that grow at least with the rate of inflation—that will be, the wealthier citizens get benefits growing at the rate of the cost of living, but poorer citizens should have their benefits go up by wage increases. And that reform alone will fix a lot of the solvency issue of Social Security.

And while we're fixing Social Security, I strongly believe younger workers ought to be allowed—given the chance to, given the opportunity to take some of their own money and set it aside in a personal savings account. And that will have two effects. One, it will increase savings throughout our society, which is important to economic growth and vitality. But more importantly, it will mean workers from all walks of life will be able to own an asset that they call their own and that the Government cannot take away.

And so we've had a wide-ranging discussion on these important problems and opportunities. We're confident about the future of the American economy because we're confident that the entrepreneurial spirit is strong here.

With that, I'll be glad to take a couple of questions from you. Yes, ma'am. That would be you, Deb [Deb Riechmann, Associated Press].

Iran

Q. Mr. President, on Iran, Iran is thumbing its nose at the United States and Europe by resuming their uranium conversion activities. So if Iran doesn't blink, what is the—does the United States want to see immediate referral to the Security Council and—for punitive sanctions? And if so, what should those sanctions look like?

The President. I appreciate that question. First of all, as you know, we have made strong steps. We've condemned strongly Iranians' attempt to develop any kind of program that would allow them to enrich uranium to develop a weapon. In other words, the Iranians said they were in compliance with certain international rules, and yet we found out they weren't in compliance of those rules. And so we're very deeply suspicious of their desires and called upon our friends in Europe, what's called the EU–3, Germany, France, and Great Britain, to lead the diplomatic efforts to convince the Iranians to give up their nuclear ambitions.

First of all, I want to applaud the EU–3 for being strong in their—in presenting a unified voice. Secondly, in terms of consequences if the Iranians continue to balk, we'll work with the EU–3. In other words, they're the lead negotiators on behalf of the free world, and we will work with them in terms of what consequences there may be. And certainly the United Nations is a potential consequence.

And I—just as I was walking in here, I received word that the new Iranian President said he was willing to get back to the table. Now, I don't want to put words in his mouth, and you're going to have to check that out

before you print that in your story, but if he did say that, I think that's a positive sign that the Iranians are getting a message that it's not just the United States that's worried about their nuclear program, but the Europeans are serious in calling the Iranians to account and negotiating. I don't know if you've got that word or not. That's a positive development.

But we'll work with our friends on steps forward, on ways to deal with the Iranians if they so choose to ignore the demands of the world. It is important for the Iranians to understand that America stands squarely with the EU–3, that we feel strongly the Iranians need to adhere to the agreements made in the Paris accord, and that we will be willing to work with our partners on—in dealing with appropriate consequences should they ignore the demands.

Q. It sounds as if you're willing to give them more time to let this work out——

The President. Well, the man said he wanted to negotiate, and of course—again, we're working with the EU–3. They're the lead negotiators. In other words, our strategy has been all along to make—to work with Germany, France, and Great Britain in terms of sending a strong signal and message to Iran. And today it looked like that the new Iranian leader has heard that message. We'll have to watch very carefully, however, because, as I repeat, they have, in the past, said they would adhere to international norm and then were caught enriching uranium. And that's dangerous. We don't want the Iranians to have a nuclear weapon.

The positive news, Deb, is, is that the world, at least the people we deal with—the Europeans, for example—are very—were knitted up in terms of the goal, and that is to prevent the Iranians from having a nuclear weapon.

Patsy [Patricia Wilson, Reuters].

Iranian Civilian Nuclear Program/North Korea

Q. Thank you, Mr. President. You just said you were deeply suspicious of Iran's desires. Then my question is, why does the United States support a civilian nuclear program for Iran but not for North Korea?

The President. Yes. The Iranians have expressed a desire to have a civilian nuclear program, and we've said that it is the—it makes sense only so long as the plant is under strong international inspection regimes, and the uranium used to run the powerplant is provided by a country with whom we're comfortable—with which we're comfortable, and the spent fuel is collected. In other words, there will be a strong regime—I talked about this at the National Defense University speech, about how we can enhance the spread of nuclear power but in a peaceful way that will assure countries that spent fuel will not be enriched for bomb-making capacities.

Secondly, the Iranians have been, we hope, straightforward in their willingness to accept this kind of international cooperation.

North Korea is in a different situation. The North Koreans have—didn't tell the truth when it came to their enrichment programs. But what's different about it is the South Koreans have offered power. In other words, the South Koreans have said, "We'll build and share power with you," which seems to me to make good sense so long as the North Koreans give up their nuclear weapons, so long as there's full transparency, so long as there's the ability for the international community to know exactly what's going on in a potential weapons program.

The strategy is the same, by the way, in terms of dealing diplomatically with both countries. As I mentioned, the EU–3 is taking the lead. We have a little different strategy, obviously, different players with North Korea, but nevertheless, it's the same concept, a group of nations are negotiating on behalf of the free world to let, in this case, Kim Chong-il understand that we're united in our desire to—for you to give up any ambitions to develop a nuclear weapon and united in our desire, by the way, to prevent you from proliferating.

Bill Roberts [Bloomberg News]. This will be the last question.

National Economy/Interest Rates

Q. Thank you, Mr. President. Americans have grown accustomed to historically low interest rates over the last few years. How concerned are you and your economic advisers

that as interest rates rise now, that could slow the momentum in the U.S. economy?

The President. I think—first of all, as you know, that the Federal Reserve is completely independent from the White House. They make decisions independent of politics, and that's important. Ben used to serve on the Federal Reserve Board, so he's—he has had some insight into the workings of the Federal Reserve. But our job is to deal with fiscal policy, and the Federal Reserve deals with monetary policy.

And as I've said all along, I trust the judgment of Chairman Alan Greenspan. He is—he makes decisions based upon facts, not based upon politics. And I think it's important for the American people to understand that.

In terms of whether interest rates will—the effect interest rates will have on our economy, I think we're more concerned about energy prices and health care prices. Those are the two areas that we see as having a greater effect on potential economic—on the growth, on the future of economic growth. And that's why the energy bill is an important start, and that's why we've laid out initiatives that we think will help American families deal with the—and small businesses deal with the rising cost of health care.

Listen, thank you all. Great to see you. Mark [Mark Knoller, CBS Radio], good to see you, sir. Thank you.

NOTE: The President's news conference began at 12 noon at the Bush Ranch. In his remarks, he referred to Eileen M. Collins, commander, and James Kelly, pilot, NASA space shuttle *Discovery*; President Mahmoud Ahmadinejad of Iran; Chairman Kim Chong-il of North Korea; and Ben S. Bernanke, Chairman, Council of Economic Advisers.

Remarks on Signing the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users in Montgomery, Illinois

August 10, 2005

Thank you. Please be seated. Thanks. Thanks for the warm welcome. It's such an honor to be here at Caterpillar. I want to thank the men and women who build the machinery here. I want to thank you for your hard work. I want to thank you for your—for putting out a great product.

And I'm here to sign the highway bill because I believe by signing this bill, when it's fully implemented, there's going to be more demand for the machines you make here. And because there's more demand for the machines you make here, there's going to be more jobs created around places like this facility. So thanks for letting us come.

I was telling some of the fellows I met behind the stage that there's a Cat working on the ranch right now. [*Laughter*] And I'm not driving it. [*Laughter*]

I'm honored to be here with Denny Hastert. The best words that I've recently heard were these: Denny Hastert is running for office again. Denny Hastert is a great Speaker of the House of Representatives. He also loves his district, and he loves the people in his district. He was telling me the other day—other day, just a second ago, that he finished in the top 55 in his high school class. [*Laughter*] And the high school was right around the corner. He also mentioned that there was only 55 people in his class. [*Laughter*] He's been here a long time, and he's seen this district grow and change and—but he's always had a heart for the people here. And I'm thrilled his wife, Jean, and his family is with us today as well. Thank you all for coming.

Somebody said the Governor may be here. Governor, if you're here, thanks for being—there he is. Governor Blagojevich, I'm honored you're here. I appreciate you coming. Last time I saw you was at the Lincoln Library opening, and you were kind to be there then, and you're kind to be here today. I'm proud you're here.

With me today is the Secretary of Transportation, Norm Mineta. Norm is doing a fantastic job as our Secretary of Transportation.

We've got key Members from the United States Senate and the United States House who are here to witness this bill signing. Senator Jim Inhofe from the State of Oklahoma is with us today. He flew down—up from Texas. He and Senator Kit Bond from Missouri were the main leaders in the United

States Senate to get this bill done. I'm proud they're here. Thank you for coming.

Congressman Jim Oberstar from Minnesota is with us. Congressman Tom Petri from Wisconsin is with us—two key members on the committee. And you don't know the next one, but we do, and we know him well. He's a man of great accomplishment. He's the chairman of the House Ways and Means. He was very instrumental in getting the highway bill out of the House and out of the conference, and that's Congressman Bill Thomas.

I want to thank the members of the Illinois delegation that are here today: Senator Dick Durbin, Senator Barack Obama, Congressman Jerry Costello, Congressman Bobby Rush, Congressman Ray LaHood, Congresswoman Judy Biggert, Congressman Rahm Emanuel, Congresswoman Melissa Bean. Thank you all for coming.

Somebody said His Honor may be here. There he is. Mr. Mayor, thank you for coming. I have gotten to know Mayor Daley over the last 5 years. I got to know him in the 2000 campaign in a way that wasn't all that pleasant, frankly. [*Laughter*] Let me just say, you want him on your side. [*Laughter*] But since I have become the President, he has been on the side of doing what he thinks right for Chicago. He is a great mayor of a great city, and I'm proud the mayor is here.

Last 4 years, this economy has been through a lot. You know what I'm talking about. We've been through a recession, the stock market declined, corporate scandals. We had an attack on the homeland, and we've had the demands on our ongoing war against the terrorists. To grow the economy and help the American families, we acted. We passed significant tax relief. And the economic stimulus plan we passed is working. Thanks to the efforts of our workers and entrepreneurs, this economy is strong, and it is getting stronger.

Real disposable personal income is up. Homeownership is at an alltime high. Small businesses are flourishing. And last week, we learned that we've added over 200,000 new jobs in the month of July. The national unemployment rate is 5 percent. Since May of 2003, we've added nearly 4 million new jobs. More Americans are working today than ever before in our Nation's history.

But we recognize in Washington, more needs to be done. That's one of the reasons I signed an energy bill. In order to keep this economy growing, we've got to become less dependent on foreign sources of oil.

And that's why I'm proud to be here to sign this transportation bill, because our economy depends on us having the most efficient, reliable transportation system in the world. If we want people working in America, we've got to make sure our highways and roads are modern. We've got to bring up this transportation system into the 21st century. I mean, you can't expect your farmers to be able to get goods to market if we don't have a good road system. You can't expect to get these Caterpillar products all around the United States if we don't have a good road system.

This road system that we have is going to be modernized through the Transportation Equity Act. It provides more than $286 billion over 6 years to upgrade our Nation's network of roads and bridges and mass transit systems. The Transportation Act will finance needed road improvements and will ease traffic congestion in communities all across this country.

Here in Illinois, as the Speaker mentioned, one of the key projects that he's been talking to me about for quite a while is what they call the Prairie Parkway. I thought that might be in Texas, but, no, it's right here in Illinois. [*Laughter*] Good folks understand what that means to the quality of life around here, when you have a highway that will connect Interstate 80 and Interstate 88. The Prairie Parkway is crucial for economic progress for Kane and Kendall counties, which happen to be two of the fastest growing counties in the United States.

In other words, this bill is going to help modernize the highway system and improve quality of life for a lot of people. And these projects will require workers. Highways just don't happen; people have got to show up and do the work to refit a highway or build a bridge. And they need new equipment to do so. So the bill I'm signing is going to help give hundreds of thousands of Americans good paying jobs.

This bill upgrades our transportation infrastructure, and it will help save lives. The bill establishes a safety belt incentive grant program, which will provide incentives for States to adopt laws that increase seat belt usage. Under this bill, the National Highway Traffic Safety Administration will set stability standards to help prevent vehicle rollovers.

In other words, this is more than just a highway bill; it's a safety bill. The American people expect us to provide them with the safest possible transportation system, and this bill helps fulfill that obligation. This law makes our highways and mass transit systems safer and better, and it will help more people find work. And it accomplishes goals in a fiscally responsible way. We are not raising gasoline taxes in order to pay for this bill.

Our Secretary of Transportation, Norm Mineta, will work to ensure that taxpayers get the most from this bill and that projects are delivered on time and on budget.

The United States Congress can be proud of what it has achieved in the Transportation Equity Act, and I'm proud to be right here in Denny Hastert's district to sign it.

Thank you all for coming. May God bless you.

NOTE: The President spoke at 10:39 a.m. in the Caterpillar-Aurora Facility. In his remarks, he referred to Gov. Rod R. Blagojevich of Illinois; and Mayor Richard M. Daley of Chicago, IL. At the time of publication, H.R. 3, approved August 10, had not been received by the Office of the Federal Register for assignment of a Public Law number.

Statement on Signing the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users

August 10, 2005

Today, I have signed into law H.R. 3, the "Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users." The Act is designed to improve the Nation's highway safety, modernize roads, reduce traffic congestion, and create jobs.

Sections 1909, 1141, and 1142 of the Act establish commissions—solely to provide advice on transportation systems, motor vehicle taxes, and infrastructure financing—whose memberships are predominantly or wholly appointed by Members of the Congress. The executive branch shall construe these provisions, including subsections 1909(b), 1141(f), and 1142(g), relating to access by the commissions to agency information, in a manner consistent with the constitutional authority of the President to supervise the unitary executive branch and to withhold information the disclosure of which could impair the deliberative processes of the Executive or the performance of the Executive's constitutional duties. Also, the executive branch shall construe section 1914(a) of the Act, which purports to require execution of that section in consultation with congressional committees, as calling for, but not mandating, such consultation, as is consistent with the constitutional provisions concerning the separate powers of the Congress to legislate and the President to execute the laws.

Provisions of the Act—including sections 2003(f)(3)(B), 2016(d), 3011(f), and 3016(c), section 5503(f) of title 49, United States Code, as contained in section 4149 of the Act, and section 111(d)(4)(F) of title 49, as contained in section 5601 of the Act—purport to require executive branch officials to submit legislative recommendations to the Congress. The executive branch shall construe such provisions in a manner consistent with the Constitution's commitment to the President of the authority to submit for the consideration of the Congress such measures as the President judges necessary and expedient and to supervise the unitary executive branch.

The executive branch shall construe the described qualifications and lists of nominees under section 4305(b) as recommendations only, consistent with the provisions of the Appointments Clause of the Constitution.

The executive branch shall construe section 5305(g)(3) of the Act to be a statute to which section 552(b)(3)(A) of title 5, United States Code, refers, as the text and structure of section 5305(g) indicate.

The executive branch shall construe section 326(e) of title 23, United States Code, as contained in section 6004 of the bill, which deems a State agency to be a Federal agency for certain purposes in limited circumstances, in a manner consistent with the

President's exclusive constitutional authority to faithfully execute the laws and supervise the unitary executive branch, and with proper regard for the role of the States in our Federal system.

The executive branch shall implement section 39 of title 18, United States Code, as contained in section 4143 of the Act, and section 5121 of title 49, as contained in section 7018 of the Act, which relate to warrantless searches and seizures of vehicles, drivers, cargo, property, packages, and records, in a manner consistent with the Fourth Amendment to the Constitution.

Section 1603 of the Act refers to legislative reports accompanying prior public laws as if they had binding legal effect. Such reports do not satisfy the constitutional requirements of bicameral approval and presentment to the President needed to give them the force of law.

The executive branch shall construe provisions of the Act that make legislative classifications based on race, ethnicity, or gender in a manner consistent with the requirement of the Due Process Clause of the Fifth Amendment to afford equal protection of the laws.

George W. Bush

The White House,
August 10, 2005.

NOTE: At the time of publication, H.R. 3, approved August 10, had not been received by the Office of the Federal Register for assignment of a Public Law number. An original was not available for verification of the content of this statement.

The President's News Conference in Crawford, Texas

August 11, 2005

The President. Thank you all for coming. I'm pleased to welcome Secretary Rumsfeld and members of his team back to Crawford, and I'm pleased to welcome Secretary Rice and her team. We just had a meeting with the—the Vice President and I had a meeting with the defense team and earlier this morning with Condi Rice and Don Rumsfeld. We'll have a joint luncheon, and then we'll visit with the Secretary of State's folks.

We discussed recent developments in Iraq, including the political progress that is taking place in that country. Despite the acts of violence by the enemies of freedom, Iraq's elected leaders are now finishing work on a democratic constitution. And later this year, that constitution will be put before the Iraqi people for their approval.

The establishment of a democratic constitution is a critical step on the path to Iraqi self-reliance. Iraqis are taking control of their country. They're building a free nation that can govern itself, sustain itself, and defend itself.

And we're helping them succeed. We have a strategy to help them succeed. On the one hand, we're hunting down the terrorists, and we're training the Iraqi security forces so Iraqis can defend themselves. Our approach can be summed up this way: As Iraqis stand up, we will stand down. And when that mission of defeating the terrorists in Iraq is complete, our troops will come home to a proud and grateful nation. The mission in Iraq is tough, because the enemy understands the stakes. A free Iraq in the heart of the Middle East will deliver a serious blow to their hateful ideology.

The second part of our strategy is to help freedom prevail in Iraq. The recent violence in Iraq is a grim reminder of the brutal enemies we face in the war on terror. And we are a nation at war. The war arrived on our shores on September the 11th, 2001. And since that day, the terrorists have continued to kill. They have killed in Madrid and Istanbul and Jakarta and Casablanca and Riyadh and Bali and London and elsewhere, and they are determined to do more harm. And they kill indiscriminately. In other words, they don't care who they kill.

And they kill because they're trying to shake our will. They're trying to drive free nations out of parts of the world, so they can topple governments across the Middle East and establish Taliban-like regimes in the Middle East and turn that region into a launching pad for attacks against free people. And they will fail.

After September the 11th, I made a commitment to the American people that this

Nation will not wait to be attacked again, and we're going to stay on the offense. And we're fighting the enemy in Iraq and Afghanistan and elsewhere so we do not have to face them here at home.

We're also fighting the murderous ideology, the hateful ideology of the terrorists, and we're doing so by spreading freedom. See, our ideology is hopeful and optimistic and uplifting. I've got great optimism about the spread of freedom because I believe deep in everybody's soul is the desire to be free, and I know that history has shown that peaceful societies are those that are free, that democratic neighbors don't war, that democracies promote peace.

In these times of war, a heavy burden falls on the men and women of our Armed Forces and their families. This morning, we discussed the steps we're taking to deal with the increased demand on our forces. For example, we've been working to rebalance our forces, moving about 80,000 people out of skills that are in low demand into the skills that are high demand, so we do not have to call upon the same forces repeatedly.

We've also taken steps to improve the call-up process for our Guard and for our reserves. We've provided them with earlier notifications. We've given them greater certainty about the length of their tours. We minimized the number of extensions and repeat mobilizations.

We're working hard to ensure our troops and their families are treated with the dignity they deserve and the respect they've earned. In the war on terror, our troops are serving with courage and commitment, and their courage is inspiring others. All of our services met or exceeded their active duty recruitment goals in July. The Army, which was below its monthly recruiting targets earlier this year, exceeded its July active duty recruitment goal by nearly 10 percent, though it's still behind for the year. The Navy, Air Force, and Marines are on track to meet or exceed their active duty recruiting goals for 2005. And the troops closest to the fight continue to reenlist in impressive numbers. Army, Navy, Air Force, and Marines are all on track to meet or exceed their reenlistment goals for the year. Americans can have pride and confidence in our All-Volunteer Force.

I appreciate so very much the Secretaries and their teams who've joined me today. I want to thank the Vice President for being here. We've had fruitful discussions so far, and we'll continue to have fruitful discussions throughout the day.

With that, I'll be glad to answer some of your questions. Deb [Deb Riechmann, Associated Press].

Iran

Q. Mr. President, on Iran again, has the U.S. intelligence sorted out what role the new Iranian President might have played in the '79 Embassy takeover? And will he be given a visa to attend the U.N. meetings in New York early next month? And wouldn't denying him a visa damage the EU–3 negotiations on their nuclear program and inflame the anti-American sentiment that Karen Hughes—is the very thing that Karen Hughes is trying to abate?

The President. That's a really long question. Whew. Let me start off by saying that we're still investigating allegations and/or this guy's potential involvement in the hostage crisis. We're in agreement with—we have an agreement with the United Nations to allow people to come to meet, and I suspect he will be here to meet—at the United Nations.

On Iran, I can't remember the first four questions you asked on the question, but——

Q. Well, those are the first two and then—[*laughter*]——

The President. No disrespect, by the way.

Let me talk about Iran. As you know, the IAEA today issued a report that expressed serious concerns about Iranian decisions, and that's a positive first step. You know, our strategy is to work with the EU–3, France and Great Britain and Germany, so that the Iranians hear a common voice speaking to them about their nuclear weapons ambitions. And I appreciate the IAEA's positive first step. As you know, there will be a report back after a period of time, and we look forward to working—hearing what that report says.

But the point is that the world is coalescing around the notion that the Iranians should not have the means and the wherewithal to be able to develop a nuclear weapon.

Steve [Steve Holland, Reuters].

Iraq

Q. Thank you, sir. You're increasing U.S. troop strength in Iraq for the upcoming elections. What happens—is it possible those troops will be asked to stay on longer if needed to help improve security? And if I may, what happens if Iraq misses the deadline for drafting the new constitution?

The President. Right. As to the constitution, one of the meetings we had this morning was with Zal, our Ambassador in Baghdad. And he gave us a briefing as to the progress on the constitution. We have made it clear that we believe that constitution can be and should be agreed upon by August 15th. And so I'm operating on the assumption that it will be agreed upon by August the 15th. And Zal said that, you know, obviously there are some difficult issues—federalism being one, role of religion. Hopefully the drafters of the constitution understand our strong belief that women ought to be treated equally in the Iraqi society. But those are issues that still are out there. Although—and he did say that there seems to be a spirit of cooperation and a deep desire for people to work closely together.

As for the troops, no decision has been made yet on increasing troops or decreasing troops. I know there's a lot of speculation and rumors about that. We did, as you might recall, increase troops for the Iraqi election and for the Afghanistan elections. It seemed to have helped create security, and I know the Secretary of Defense is analyzing that possibility.

I also know there's a lot of folks here in the United States that are, you know, wondering about troop withdrawals. They're concerned about the violence and the death. They hear the stories about a loved one being lost to combat. And, you know, I grieve for every death. It breaks my heart to think about a family weeping over the loss of a loved one. I understand the anguish that some feel about the death that takes place.

I also have heard the voices of those saying, "Pull out now," and I've thought about their cry and their sincere desire to reduce the loss of life by pulling our troops out. I just strongly disagree. Pulling the troops out would send a terrible signal to the enemy. Immediate withdrawal would say to the Zarqawis of the world and the terrorists of the world and the bombers who take innocent life around the world, you know, the United States is weak, and all we've got to do is intimidate, and they'll leave.

Pulling troops out prematurely will betray the Iraqis. Our mission in Iraq, as I said earlier, is to fight the terrorists, is to train the Iraqis. And we're making progress training the Iraqis. Oh, I know it's hard for some Americans to see that progress, but we are making progress. More and more Iraqi units are becoming more and more capable of fighting off the terrorists. And remember, and that's a country where 8.5 million Iraqis went to the polls. They've said, "We want to be free," and our mission is to help them have a military that's capable of defeating those who would like to dash their ambitions to be free.

Withdrawing before the mission is complete would send a signal to those who wonder about the United States' commitment to spreading freedom. You see, I believe and know that we're at war, and we're at war against a hateful ideology. And the way to defeat that ideology in the long term is to spread a hopeful ideology, one that says to young girls, "You can succeed in your society, and you should have a chance to do so," one that says to moms and dads, "You can raise your child in a peaceful world without intimidation," and one that says to people from all walks of life, "You have a right to express yourself in the public square."

It's the spread of liberty that is laying the foundation of peace, and it's very important for our citizens, no matter what side of the political aisle you're on, to understand that the mission is a vital mission, and it's one that will be—that we obviously couldn't complete if we didn't fulfill our goals, which was to help the Iraqis.

Yes, Steve.

Q. Just to make clear, you're referring to Mrs. Sheehan here, I think?

The President. I'm referring to any grieving mother or father, no matter what their political views may be. Part of my duty as the President is to meet with those who've lost a loved one. And so, you know, listen, I sympathize with Mrs. Sheehan. She feels strongly about her—about her position. And

I am—she has every right in the world to say what she believes. This is America. She has a right to her position. And I've thought long and hard about her position. I've heard her position from others, which is, "Get out of Iraq now." And it would be a mistake for the security of this country and the ability to lay the foundations for peace in the long run, if we were to do so.

But no, Steve, I've met with a lot of families, and I have done my best to bring comfort to the families and honor to the loved one, and get different opinions when you meet with moms and dads and sons and daughters and wives and husbands of those who have fallen. One opinion I've come away with universally is that, you know, we should do everything we can to honor the fallen. And one way to honor the fallen is to lay the foundation for peace.

Hutch [Ron Hutcheson, Knight Ridder].

Speculation on Troop Withdrawals

Q. Mr. President, these rumors about a troop drawdown really took flight when some of your military people starting talking about drawing down in spring. What was that about? Are they out of line?

The President. I think they were rumors. I think they're speculation. One of the things that we did announce was a joint Iraqi-U.S. commission to look at the security situation in Iraq. Clearly—my position has been clear, and the position—therefore, the position of this Government is clear, that as Iraqis stand up, we'll stand down. And that means that there's a—obviously, the conditions on the ground depend upon our capacity to bring troops home, and the main condition, as to whether or not the Iraqis have got the capability of taking the fight to the enemy.

And so I suspect what you were hearing was speculation based upon progress that some are seeing in Iraq as to whether or not the Iraqis will be able to take the fight to the enemy. In other words, you've got people—obviously, it's important to plan. It's important to think down the road. And you've got people saying, "Well, if the Iraqis are capable, if more and more units are capable of taking the fight to the enemy, it would then provide an opportunity to replace coalition troops with those Iraqis." I think that's what you're seeing. I think it's kind of what we call speculation. And the decision finally will be made by me upon the recommendation of General Casey, through Secretary Rumsfeld, to me.

Q. Does that speculation—grounded in fact, to you, given the way things have gone just recently?

The President. Well, the—I am pleased with the progress being made when it comes to training Iraqi units. One of the things I announced at Fort Bragg was our strategy to embed our troops within Iraqi units so—to better facilitate the training of those Iraqi units. And this morning, General Casey reported to me and Secretary Rumsfeld and the folks standing right back here—reported to us that more and more units are becoming more and more capable and that the embedding process is working.

Now, there's not that many that can stand alone yet, but there are a lot more that are—have gone from raw—you know, that raw-recruit stage to plenty capable. In some cases, some units need no United States or coalition force help. In some cases, they need minimal help. But the point is, is that there is a matrix, and we're following that matrix as more and more troops become capable and competent. And so my answer to you is that we are making progress.

And I've said all along, we'd like to get our troops home as soon as possible, but "soon as possible" is conditions-based. And so we're monitoring progress. The important thing for the American people to know is we are making progress. There's a political track on which we're making progress and the security track on which we're making progress. And I know it's tough, and I know it's hard work. But America has done hard work before, and as a result of the hard work we have done before, we have laid the foundation for peace for future generations.

And I remind people, when they think about the conflict we're in, to think about World War II, when an enemy of ours, Japan, for example, is now a loyal friend and an ally because of the hard work we did, not only during the war but in the post-war reconstruction of Japan.

And the sacrifices that our troops are making, our family are making, are unbelievably

noble, and I am incredibly proud of our military, and I know most of the American people are as well.

Listen, thank you all very much.

NOTE: The President's news conference began at 12:01 p.m. at the Bush Ranch. In his remarks, he referred to President Mahmoud Ahmadinejad of Iran; Zalmay Khalilzad, U.S. Ambassador to Iraq; senior Al Qaida associate Abu Musab Al Zarqawi; Cindy Sheehan, whose son Spc. Casey Sheehan, USA, died in Iraq on April 4, 2004; and Gen. George W. Casey, Jr., USA, commanding general, Multi-National Force—Iraq. A reporter referred to Karen Hughes, Under Secretary of State for Public Diplomacy.

Interview With Israeli Television Channel 1 in Crawford, Texas

August 11, 2005

Yaron Deckel. Mr. President, thank you very much for the first interview granted to Israeli TV and for hosting us in your beautiful ranch in Texas.

The President. Well, welcome. Thanks for coming. It's an honor to have you here, and it's an honor to speak on Israeli TV.

Prime Minister Sharon/Disengagement

Mr. Deckel. I understand why you like this place better than the White House.

We are on the eve of the disengagement, and you have expressed your full support in disengagement, trying to help Prime Minister Sharon in his struggle. And I would like to ask why is it so important to you, Mr. President?

The President. First of all, let me speak about my relationship with Prime Minister Sharon, if you don't mind. We've grown close, and one of the reasons why is I appreciate a person who when he says something, means it. And I hope he appreciates that about me. In other words, I said early on, we're going to join in fighting terror so that Israel could be secure and America secure and other free nations secure.

Secondly—and I have—and he knows I keep my word, and I know he keeps his word. Secondly, what I appreciate is somebody who thinks boldly for peace. And Ariel Sharon came to the White House and said, "We're going to disengage from the Gaza." And I was struck by what a bold decision that was. And the disengagement is, I think, a part of making Israel more secure and peaceful, and I agree with the Prime Minister.

It's important because the United States is a strong ally of Israel and, therefore, if you're a strong ally, you want there to be peace for your ally.

Mr. Deckel. You know, the main concern of Israel is that the disengagement might lead not to more security but, on the contrary, to more violence. Do you understand the concerns?

The President. Oh, absolutely, I understand. And I can understand why people think this decision is one that will create a vacuum into which terrorism will flow. I happen to disagree. I think this will create an opportunity for democracy to emerge, and democracies are peaceful. And therefore, it's very important for the United States, as an active participant in this process, to encourage the formation of security forces that will defeat terror, just like the roadmap calls for—these are Palestinian security forces—and to encourage the Palestinians to develop a peaceful state.

The Negev and Galilee

Mr. Deckel. You had announced that you will support the disengagement by some aid the administration will provide Israel to develop the northern and southern—the Galilee and the Negev.

The President. Right.

Mr. Deckel. Has any decision been made regarding this issue?

The President. Well, first of all, I did say when the Prime Minister was here that the Negev and Galilee present great opportunities for economic development. And we understand that. So I'm going to send teams over to assess the opportunities available for the United States to help Israel, and they'll report back to me. But we have made no focus yet on specific budget items.

Likud Party/Binyamin Netanyahu

Mr. Deckel. Mr. President, are you troubled by the fierce opposition Prime Minister Sharon, your partner, is facing in his own camp, in the Likud Party? According to the

polls, he might lose because of the disengagement.

The President. First of all, on democracy there's going to be dissent. And secondly, the Prime Minister has made a very strong, bold decision. And I can understand why people are debating the issue. But I'm confident he's made the right decision. And I can also assure the Israeli people the decision he made has brought the United States and Israel even closer together.

Mr. Deckel. Have you any opinion about Mr. Netanyahu, who stands to succeed him and now is leading the opposition?

The President. Well, I met Bibi Netanyahu. Of course, he's well known in the United States. He's going to make the decision he thinks is necessary for Israel's good, and there's just a disagreement between two friends. But I believe the decision that Prime Minister Sharon has made and is going to follow through on will be good for Israel.

Mr. Deckel. And why are you so sure it's going to lead to more security?

The President. Well, it's an opportunity—first of all, the previous system wasn't working. I mean, there was an intifada; there was death; there was killing. And if you notice, there's been a calm in attacks. One attack is too many, but there's been fewer attacks. And I think in the long run, two states living side by side in peace is the ultimate solution for Israeli's security.

In the meantime, we've got to work to dismantle terrorist organizations, and that's precisely what the roadmap calls for.

President Abbas

Mr. Deckel. How urgent is it that Mr. Abbas take more actions against terrorism? How urgent is it? Because you said that it's not enough, what they have done so far.

The President. Well, I think—and I've told that to the Prime Minister Abbas—or President Abbas. He's a strong—he strongly understands the need to dismantle terrorists. He knows that a democracy can't exist so long as you've got armed groups willing to take law in their own hands, and he's committed to a democratic state. And we've got work to do with him, and that's why we've got a general on the ground there that's helping to try train and coordinate Palestinian forces to fight off the terrorists who would want to stop the process for peace.

Hamas

Mr. Deckel. But would you accept a permanent ceasefire with the Hamas movement, for instance?

The President. Well, you know, Hamas is on the terrorist group.

Mr. Deckel. He made a ceasefire with them.

The President. Well, he's elected by the Palestinians. I am not. On the other hand, I can express my opinions to him, which I have. And I don't believe you can have a peaceful, democratic state with armed groups willing to take the law in their own hands.

Mr. Deckel. As a believer, Mr. President, what do you say to Jewish believers who think that God sent them to settle in the biblical Israel, and they will not obey any decision of elected government?

The President. Well, you know, there are admonitions in the Bible that does talk about the role of government relative to man. And Israel is a democracy, and democracies are able to express the will of the people. The Prime Minister is expressing what he thinks is in the best interests of Israel, and the people will decide, ultimately, whether or not that decision makes sense.

Mr. Deckel. You know, things in the Middle East constantly change. And nobody predicted the U.S. will start dialog with the PLO in the eighties, and then Prime Minister—late Prime Minister Rabin signing an accord with Yasser Arafat. Do you see any similar development with the Hamas in the future?

The President. Here's what I see. I see relations with a peaceful Palestinian state that is run by—that is founded on democratic institutions. That's what I believe can happen and should happen. I mean, in order to ultimately defeat terror, whether it be in Palestinian territories or Iraq or Iran, there must be open, transparent societies based upon rule of law.

Palestinian Control of Gaza

Mr. Deckel. Your timeframe was a Palestinian state in 2005. Would you like to update the timeframe, Mr. President?

The President. I think Israel—the people of Israel must understand that now is an opportunity for the Palestinians to show leadership and self-government in Gaza. And that's why my focus is intensely upon Gaza. We hope that the disengagement goes well. And we understand that once Israel has withdrawn, it's now up to the Palestinians to show the world that they can self-govern in a peaceful way.

Mr. Deckel. You said that once the disengagement is carried out, both sides will help together to the roadmap to meet their obligations. And Prime Minister Sharon vowed that there will be no political progress until the Palestinians will act forcefully against terrorism. Do you share this view with him?

The President. Here's the way I view it. One, I think that the roadmap does call for dismantling terrorist organizations. And secondly, I think—I know that the disengagement from Gaza presents an opportunity for a Palestinian state which is peaceful to begin to grow. In other words, it goes to show that—that there's a chance to show the Israelis and the Palestinians that there's a better life ahead. And in order to do that in Gaza—in Gaza——

Obligations of Middle East Participants

Mr. Deckel. So the burden is upon the Palestinians once the disengagement is over?

The President. I think the burden is on—everybody has got obligations. You know, obviously, the peaceful withdrawal by Israelis from the Gaza is part of the burden. The terrorists—dismantling terrorist organizations is part of the burden. I think the——

Mr. Deckel. Should it be the first—the first step before anything other happens?

The President. Gaza?

Mr. Deckel. The dismantling of the terrorist organizations?

The President. Well, I think that's a part of a process. You see, dismantling a terrorist organization is not only taking arms and isolating terrorists, but it's also showing the Palestinians and the Israelis that a peaceful state can emerge. This is what the opportunity is. And that's why I think that Prime Minister Sharon's decision was so bold.

But we have a—let me finish the obligations. Israelis have obligations. The Palestinians have obligations. The United States has an obligation. That's why Mr. Wolfensohn and our general on the ground is there, to help establish the institutions necessary for a peaceful state to emerge. Arab nations have got obligations now: One, to not incite violence; Two, to help isolate and bring to justice terrorists; and Three, to provide funds to help these—the Gaza to become a place of prosperity and peace.

Iran

Mr. Deckel. You mentioned Iran, and I wonder, Mr. President, how imminently is the Iranian threat? There was a release lately of the U.S. intelligence that they won't have any capability in the next 10 years. Is this your latest information, Mr. President?

The President. My latest information is that the Iranians refuse to comply with the demands of the free world, which is: Do not in any way, shape, or form have a program that could yield to a nuclear weapon. And the United States and Israel are united in our objective to make sure that Iran does not have a weapon. And in this particular instance, the EU–3, Britain, France, and Germany, have taken the lead, been helping to send the message, a unified message to the Iranians.

Look, in all these instances we want diplomacy to work. And so we're working feverishly on the diplomatic route. And you know, we'll see if we're successful or not. As you know, I'm——

Mr. Deckel. And if not?

The President. Well, all options are on the table.

Mr. Deckel. Including use of force?

The President. Well, you know, as I say, all options are on the table. The use of force is the last option for any President. You know, we've used force in the recent past to secure our country. It's a difficult—it's difficult for the Commander in Chief to put kids in harm's way. Nevertheless, I have been willing to do so as a last resort in order to

secure the country and to provide the opportunity for people to live in free societies.

Iraq

Mr. Deckel. I won't be finishing this interview without asking you about your decision in Iraq. Knowing what you know today, you made the right decision, Mr. President?

The President. Yes. I did. The world is safer without Saddam Hussein in power.

Mr. Deckel. Is it?

The President. Yes. Absolutely. Saddam Hussein—you know, we made the decision on a lot of factors. One factor, of course, is that the world thought he had weapons of mass destruction, not just the United States but the entire world. I went to the United Nations. The United Nations unanimously passed a resolution that said to Saddam Hussein, "Disarm, or face serious consequences." Once again, he defied the world.

But we also made the case that Saddam Hussein had terrorist ties. Abu Nidal was in Iraq. Zarqawi, the man who's inflicting so much murder and chaos on innocent Iraqis, was in Iraq. Saddam Hussein was an enemy of the United States, enemy of a lot of countries. And there's no doubt in my mind that we're safer as a result of him not being in power. And there's no doubt in my mind that a democratic Iraq will be a part of a change in the broader Middle East that will lay the foundations for peace.

You know, a lot of the world says, "Well, unless you are a certain type of person, you can't live in a free society." I strongly disagree with that. I believe that embedded into everybody's soul is the desire to live in freedom. That's what I believe, that there is an Almighty, and the Almighty plants a sense of being free. Therefore, if given a chance, people will live in a free society, and free societies are peaceful societies.

President's Visit to Israel

Mr. Deckel. Any plans to visit in the state of Israel? I know you were there as a Governor of Texas.

The President. I was. [*Laughter*]

Mr. Deckel. What mostly impressed you in the Holy Land?

The President. Well, first of all, I'll never forget waking up in the hotel and seeing this golden shine on the Old City. It was just—and I remember waking up Laura. I said, "Laura, you're not going to believe—you're not going to believe this fantastic sight."

The other thing, of course, that sticks in my mind was the helicopter tour I took of the West Bank, and my guide was Ariel Sharon. It was one of the great ironies of all time. I was a Governor; he was in the Cabinet. And he said, "Would you like to take a helicopter ride?" to me. Governor Cellucci, who went on to be the Ambassador to Canada, and Governor Leavitt, who is now in my Cabinet, and Governor Racicot, the four of us, we said, "Sure," and we got in the chopper, and the tour guide was Ariel Sharon as we choppered all throughout the West Bank.

Mr. Deckel. Will you visit again?

The President. I'd love to visit again sometime.

Mr. Deckel. In your term?

The President. I hope so. And I hope to visit and proclaim success as a result of a bold decision that Prime Minister Ariel Sharon has made, and I think I'll be able to do that.

Mr. Deckel. Mr. President, I do thank you very much for this interview and for your time.

The President. Thanks for coming.

NOTE: The interview was taped at 7:17 a.m. at the Bush Ranch for later broadcast. In his remarks, the President referred to Prime Minister Ariel Sharon of Israel; President Mahmoud Abbas (Abu Mazen) of the Palestinian Authority; James D. Wolfensohn, Quartet Special Envoy for Gaza Disengagement; Lt. Gen. William E. Ward, USA, Senior U.S. Security Coordinator, Department of State; former President Saddam Hussein of Iraq; Palestinian terrorist Abu Nidal, who was found dead in Baghdad, Iraq, on August 19, 2002; and senior Al Qaida associate Abu Musab Al Zarqawi. The transcript was released by the Office of the Press Secretary on August 12. A tape was not available for verification of the content of this interview.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

August 6

In the morning, at the Bush Ranch in Crawford, TX, the President had an intelligence briefing.

August 8

In the morning, the President had separate telephone conversations with Rebecca Garang, widow of First Vice President Dr. John Garang de Mabior of Sudan, and with President Umar Hassan Ahmad al-Bashir of Sudan to express condolences over the death of First Vice President Garang and to discuss the peace process in Sudan. He then had an intelligence briefing.

Later in the morning, the President traveled to Albuquerque, NM, where, upon arrival, he met with USA Freedom Corps volunteer Sally Adams. Then he toured the Sandia Solar Tower Complex at Sandia National Laboratory.

In the afternoon, the President returned to the Bush Ranch in Crawford, TX.

August 9

In the morning, the President had an intelligence briefing. Later, he met with Vice President Dick Cheney, Chairman Ben S. Bernanke of the Council of Economic Advisers, U.S. Trade Representative Rob Portman, Secretary of Labor Elaine Chao, Secretary of Agriculture Mike Johanns, Secretary of the Treasury John Snow; Secretary of Commerce Carlos M. Gutierrez, Director Joshua B. Bolten of the Office of Management and Budget, and Director Allan B. Hubbard of the National Economic Council to discuss the national economy.

The President announced his intention to nominate John E. Maupin, Jr., to be a member of the Social Security Advisory Board.

The President announced his intention to appoint Alan R. Nelson as alternate Federal cochairperson at the Delta Regional Authority.

The President announced his intention to appoint Andre B. Lacy as a member of the John F. Kennedy Center for the Performing Arts Advisory Committee on the Arts.

The President announced his intention to appoint Lance Edward Armstrong as a member of the President's Cancer Panel.

The President announced his intention to appoint Zell Miller as a member of the American Battle Monuments Commission.

The President announced his intention to reappoint Pamela Nelson as a member of the Commission of Fine Arts.

The President announced his recess appointment of Eric S. Edelman as Under Secretary of Defense for Policy.

August 10

In the morning, the President had an intelligence briefing. Later, he traveled to Montgomery, IL, where, upon arrival, he met with USA Freedom Corps volunteer Linda Cesario.

In the afternoon, the President returned to the Bush Ranch in Crawford, TX.

August 11

In the morning, the President had an intelligence briefing. Later, he met with Vice President Dick Cheney, Secretary of Defense Donald H. Rumsfeld, Chairman of the Joint Chiefs of Staff Gen. Richard B. Myers, USAF, and other officials to discuss military issues.

In the afternoon, the President had lunch with military and foreign policy officials. Later, he met with Vice President Dick Cheney, Secretary of State Condoleezza Rice, and other officials to discuss foreign policy issues.

The President announced his intention to nominate John J. Danilovich to be Chief Executive Officer of the Millennium Challenge Corporation.

The President announced his intention to nominate Jacqueline Ellen Schafer to be an Assistant Administrator (Economic Growth, Agriculture, and Trade) at the U.S. Agency for International Development.

The President announced his intention to designate Carlos Marin as Acting U.S. Commissioner of the International Boundary and Water Commission, United States and Mexico.

August 12

In the morning, the President had an intelligence briefing.

In the afternoon, at Broken Spoke Ranch in Crawford, the President and Mrs. Bush attended a Republican National Committee lunch. Later, they returned to the Bush Ranch.

The President announced his designation of the following individuals as members of the Presidential delegation to the Inauguration of Kurmanbek Saliyevich Bakiyev as President of Kyrgyzstan on August 14: Carlos M. Gutierrez (head of delegation) and Steven M. Young.

Nominations Submitted to the Senate

NOTE: No nominations were submitted to the Senate during the period covered by this issue.

Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released August 8

Transcript of a press gaggle by Deputy Press Secretary Trent Duffy

Fact sheet: President Bush Signs Into Law a National Energy Plan

Released August 9

Transcript of a Press Briefing by National Economic Council Director Allan B. Hubbard and Council of Economic Advisors Chairman Ben S. Bernanke

Fact sheet: President Bush Discusses Agenda for Continued Economic Growth

Released August 10

Transcript of a press gaggle by Deputy Press Secretary Trent Duffy

Statement by the Press Secretary announcing that the President signed H.R. 3

Released August 11

Transcript of a press briefing by National Security Adviser Stephen J. Hadley on the President's meetings

Released August 12

Statement by the Press Secretary announcing that the President signed H.R. 1132

Acts Approved by the President

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.

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